Committee on Resources

Subcommittee on National Parks & Public Lands

Witness Statement

(1) TESTIMONY

Presented June 27, 2000 during Hearing Subcommittee on National Parks and Public Lands, Committee on Resources U.S. House of Representatives Regarding H.R. 3190 The Oil Region National Heritage Area Act Presented by Judith A. Downs, Vice President Oil Heritage Region, Inc.

Opening Statement:

Chairman Hansen, Members of Congress, Committee Staff, Media and Guests - We are pleased to have the opportunity to travel to Washington to present our testimony to you regarding the proposed Oil Region National Heritage Area Act. We strongly believe that Pennsylvania's Oil Region holds national and international significance. For those of you unfamiliar with our region, I would like to take this time to present a brief history.

History of the Birth of the Oil Industry in Pennsylvania

Author: Barbara Zolli, PHMC Drake Well Museum

Presenter: Judith Downs, Vice President, Oil Heritage Region, Inc.

Introduction

The American oil industry was born in what is now the Oil Heritage Region of northwestern Pennsylvania in 1859. There, Edwin L. Drake drilled the first commercially successful oil well in the United States. And there, he launched a global enterprise, which forever changed our world.

The birth of the modern oil industry begins like every other powerful legend. It is a story about succeeding and failing, investing and stealing, inventing and destroying. But it's fascination comes from the fact that it was fashioned from the real strength of history, and that it succeeded in spite of being formed in a sea of Pennsylvania mud!

Richly documented in historic photographs, artificats, and archival material, the story of the oil industry is important because it continues to touch the lives of everyone all over the world.

History: Before 1847

The Pennsylvania oil story begins before Drake. Oil was known and used in the United States long before that famous well near Titusville, Pennsylvania, was drilled. Recent carbon dating of archaeological specimens taken from the "Mystery Oil Pits" on the grounds of the Drake Well Museum date from 1410 eighty years before Columbus! And there is speculation that these pits may have been used by native civilizations dating back to the time before the birth of Christ.

The *Map of the middle British Colonies in America*, published in 1755, recorded the presence of petroleum near the present day site of Oil City, Pennsylvania. In the eighteenth century, Native Americans of the Seneca tribe gathered and traded oil, giving rise to the name "Seneca Oil." A corruption of that name became "snake oil", a common term for patent medicines of all kinds.

Prior to 1846, the greatest source of petroleum in the United States was found along Oil Creek in northwestern Pennsylvania. European settlers, who came to the Oil Creek valley after the American Revolution, skimmed oil from springs along the streambed to use as medicine. Every pioneer home had a bottle.

History 1848 - 1860: Refining Kerosene for Lamps

Although oil had long been valued as medicine, the most significant social impact of Drake's achievement at the time was plentiful kerosene - a safe and inexpensive lamp fuel for every social class. About 1847, Pittsburgh resident Samuel Keir bottled and sold crude oil from his father's salt wells as a cure-all for ailments, human and animal. But he was more successful after he devised a way to distill petroleum into a lamp fuel which he called "carbon oil".

A group of investors in New England sent Edwin Drake to Titusville in 1857, in an effort to meet the demand for this new product. As their agent, his mission was to find oil in sufficient quantities so that it could be refined and marketed commercially. Using technology adapted from salt well drilling. Drake sunk a shaft to 69 ½ feet deep. There, he struck the oil, which caused a stampede of people into the region, a stampede unseen since the California Gold Rush, ten years before.

History: 1860 - 1900: Oil Becomes Big Business

The fledgling industry seemed to invent itself as it grew! Oil derricks and engine houses sprang up along Oil Creek as the search for oil spread. At first, it was commonly believed that oil was to be found only under the flats along the creeks and runs of Venango County. But "Wildcatters" lead the search into neighboring hills, farms, and counties for newer and more productive oil fields. Each new well fueled the excitement and new towns sprang up around most of the major fields. Oil towns with romantic names like Red Hot, Shamburg, Pioneer, and Petroleum Center boomed overnight and disappeared almost as quickly.

Some, like Pithole City, were substantial. When three "flowing: wells came in along Pithole Creek in January 1865, fortune-seekers and soldiers discharged from the Civil War followed, swelling the population to 15,000 people in nine months! But too many wells quickly drained the oilfield and fire took many derricks and building in a community where water was more precious that oil <u>or</u> whiskey. Three years later, most of Pithole was gone.

Somehow, the industry survived an economic roller coaster as overproduction drove crude oil prices down to less than a dollar a barrel in 1886. Technology became more uniform as oil field manufactures created catalogs of standardized tools and equipment. Anyone with some land and some money could become an oil

baron. And some did.

History: 1900 - 1960: Oil Moves On

Pennsylvania oil industry pioneers carried their knowledge, tools, and skills to other parts of the country and the world. Newer fields opened around the globe from Ohio to Russia! But, after the Texas gusher wells came in at Spindletop in 1901, world attention shifted away from the Oil Creek Valley in Pennsylvania.

Threats to the forty-year-old industry appeared. Founded on the success of small, independent producers, the industry began to face the rise of powerful monopolies like Rockefeller's Standard Oil Company. Titusville resident and muchraker Ida Tarbell published her "History of the Standard Oil Company" in 1904, focusing public attention on the business practices of the oil giant. The courts upheld the Sherman Anti-Trust Act in 1911, and broke the Rockefeller empire into smaller, regional entities.

By the turn of the century, natural gas and electric lights began to replace kerosene lamps. Had it not been for the automobile, the oil industry might have suffered the fate of its boomtowns. But Americans were - and still are - a nation hungry for mobility. Gasoline and asphalt-paved roads took us where we wanted to go. Aviation and two World Wars firmly established the global importance of petroleum for transportation and military defense.

Research gave rise to new products as synthetic fibers and plastic made from oil made inroads into American homes and lives. You couldn't brush your teeth without plastic! Scientists found ways to synthesize drugs from petroleum and even aspirin began to be made from oil. Paraffin wax from petroleum replaced rubber in tires, waterproofed our cardboard milk containers, and glued the fabric of American society together. We were on our way to the moon!

Summary

Pennsylvania Oil Heritage is a story filled with anecdotes about real people and the ways they met the challenges of inventing the American industry, which changed the world. This is a vital and powerful story well suited as a basis for a National Heritage Area. Thank you.

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